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*Proposed Attorneys for the Debtor and  
Debtor in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

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In re: ) Chapter 11  
 )  
BEAR ISLAND PAPER COMPANY, L.L.C.,<sup>1</sup> ) Case No. 10-31202 (DOT)  
 )  
Debtor. )  
)

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**APPLICATION OF THE DEBTOR FOR ENTRY OF AN  
ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION  
OF KIRKLAND & ELLIS LLP AS ATTORNEYS FOR THE DEBTOR  
AND DEBTOR IN POSSESSION *NUNC PRO TUNC* TO THE PETITION DATE**

Bear Island Paper Company, L.L.C., as a debtor and a debtor in possession (“Bear Island” or “Debtor”), files this application (the “Application”) for the entry of an order, substantially in the form attached as Exhibit A, authorizing the Debtor to retain Kirkland & Ellis LLP (“K&E”) *nunc pro tunc* to the Petition Date (as defined herein) as its lead attorneys. In support of the Application, the Debtor submits the Declaration of Richard M. Cieri, a partner at K&E, (the “Cieri Declaration”) attached hereto as Exhibit B. In further support of the Application, the Debtor respectfully states as follows:

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<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are 0914. The principal address for the Debtor is 10026 Old Ridge Road, Ashland, Virginia 23005.

**Jurisdiction**

1. The United States Bankruptcy Court for the Eastern District of Virginia (this “Court” or the “Bankruptcy Court”) has jurisdiction over this matter pursuant to 28 U.S.C. §§ 157 and 1334. This matter is a core proceeding within the meaning of 28 U.S.C. § 157(b)(2).

2. Venue is proper pursuant to 28 U.S.C. §§ 1408 and 1409.

3. The statutory bases for the relief requested herein are sections 327(a) and 330 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the Eastern District of Virginia (the “Local Bankruptcy Rules”).

**Background**

4. On the February 24, 2010 (the “Petition Date”), the Debtor filed a voluntary petition for relief under chapter 11 of the Bankruptcy Code. The Debtor continues to operate its business and manage its properties as debtor in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

5. Contemporaneously with the commencement of this chapter 11 case (the “Chapter 11 Case”), the Debtor’s indirect parent—White Birch Paper Holding Company (“WB Holding”—and ten of WB Holding’s direct and indirect Canadian subsidiaries (collectively the “CCAA Applicants,” and together with Bear Island, the “WB Group”) have sought relief under the *Companies’ Creditors Arrangement Act* (the “CCAA”) in the Quebec Superior Court of Justice (the “Canadian Court”) in Montreal, Quebec, Canada (the “CCAA Cases”).<sup>2</sup> So as to

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<sup>2</sup> The CCAA Applicants include (a) WB Holding, (b) White Birch Paper Company, (c) Stadacona General Partner Inc., (d) Black Spruce Paper Inc., (e) F.F. Soucy General Partner Inc., (f) 3120772 Nova Scotia (Continued)

ensure consistency and comity among the courts overseeing these related cases, the Debtor and the CCAA Applicants are also seeking Bankruptcy Court and Canadian Court approval of a customary cross-border protocol that will govern procedures for, among other things, court-to-court communications and matters requiring approval by both courts. Moreover, at the initial hearing in the CCAA Cases, the Canadian Court appointed White Birch Paper Company (“White Birch Company”) as the foreign representative of the CCAA Applicants and the Canadian Court for the purpose of seeking ancillary relief in other jurisdictions, such as the United States, as appropriate, to further the CCAA Applicants’ restructuring. Shortly thereafter, White Birch Company, in its capacity as foreign representative, filed petitions in this Court seeking recognition of the CCAA Cases and other requests for relief on behalf of itself and five other CCAA Applicants (collectively, the “Chapter 15 Debtors”)<sup>3</sup> under chapter 15 of the Bankruptcy Code. Those recognition proceedings (the “Chapter 15 Cases”) are being jointly administered by this Court under the following case caption: In re White Birch Paper Company, et al., No. 10-31234 (DOT) (Bankr. E.D. Va.).

6. The WB Group is the second-largest newsprint manufacturer in North America. In fact, as of December 31, 2009, the WB Group held a 12% share of the North American newsprint market and employed approximately 1,300 individuals. Additionally, for the twelve months ended December 31, 2009, the WB Group’s mills maintained a production capacity of

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Company, (g) Arrimage De Gros Cacouna Inc., (h) Papier Masson Ltee, (i) Stadacona Limited Partnership, (j) F.F. Soucy Limited Partnership, and (k) F.F. Soucy Inc. & Partners, Limited Partnership.

<sup>3</sup> The six chapter 15 debtors include (a) White Birch Company, (b) Stadacona General Partner Inc., (c) Stadacona Limited Partnership, (d) F.F. Soucy Limited Partnership, (e) F.F. Soucy Inc. & Partners, Limited Partnership, and (f) Papier Masson Ltee.

approximately 1.3 million metric tons of newsprint and directory paper (50% of which is made from recycled content) and achieved net sales of approximately \$667 million.

7. The WB Group operates four integrated paper mills strategically located to serve many of the largest newsprint markets in North America. The WB Group's mills include the Bear Island mill, located in Ashland, Virginia, the Soucy mill located on the St. Lawrence River in Riviere-du-Loup, Quebec, the Stadacona mill located on the St. Lawrence River in Quebec City, Quebec, and the Papier Masson mill, located in Gatineau, Quebec. In addition to newsprint, the WB Group produces small amounts of directory paper, paperboard, and lumber. Its customers include publishers like Gannett and Dow Jones, as well as commercial printers such as Transcontinental.

8. Bear Island is a Virginia limited liability company that was organized in 1997 as a wholly-owned subsidiary of White Birch Company and employs approximately 200 of the WB Group's 1,300 employees. Strategically located in Ashland, Virginia, the Bear Island mill annually produces approximately 235 thousand metric tons of newsprint paper that services customers in New York, Philadelphia, Baltimore, and Washington, D.C. Bear Island also operates a paper machine, woodyard, pulping system, recycling facility, an on-site waste and water treatment facility, an industrial landfill for its on-site solid waste disposal, as well as storage and transportation facilities. For the twelve months ended December 31, 2009, Bear Island's net sales totaled approximately \$125 million, which accounted for 19% of the WB Group's net sales for the same period.

**Relief Requested**

9. By this Application, the Debtor seeks entry of an order pursuant to sections 327(a) and 330 of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local

Bankruptcy Rules 2014-1 and 2016-1 authorizing the employment and retention of K&E as its attorneys, *nunc pro tunc* to the Petition Date, in accordance with the terms and conditions set forth in that certain engagement letter between White Birch Company and K&E dated as of May 11, 2009 (the “Engagement Letter”), a copy of which is annexed as Exhibit 1 to Exhibit A attached hereto and incorporated herein by reference.

10. On the Petition Date, the Debtor filed an application to employ and retain Troutman Sanders LLP (“Troutman Sanders”) as its attorneys in the Chapter 11 Case. K&E does not maintain an office in the Commonwealth of Virginia, and to comply with Local Bankruptcy Rule 2090-1, the Debtor is required to retain local counsel. In connection with the Chapter 11 Case, to the extent any causes of action are commenced by or against a K&E client, and a waiver letter is not obtained permitting K&E to participate in such action, either Troutman Sanders will represent the Debtor in that particular matter or the Debtor will retain separate conflicts counsel to do so.

#### **K&E’s Qualifications**

11. The Debtor seeks to retain K&E because of K&E’s recognized expertise and extensive experience and knowledge in the field of debtors’ protections, creditors’ rights, and business reorganizations under chapter 11 of the Bankruptcy Code.

12. K&E has been actively involved in major chapter 11 cases and has represented debtors in many cases, including: In re Movie Gallery, Inc., No. 07-33849 (Bankr. E.D. Va. Oct. 16, 2007); In re Citadel Broadcasting Corp., No. 09-17442 (Bankr. S.D.N.Y. Feb. 3, 2009); In re The Majestic Star Casino, LLC, No. 09-14136 (Bankr. D. Del. Nov. 23, 2009); In re Stallion Oilfield Services Ltd., No. 09-13562 (Bankr. D. Del. Nov. 16, 2009); In re The Readers Digest Assoc., No. 09-3529 (Bankr. S.D.N.Y. Sept. 17, 2009); In re Lear Corporation, No. 09-14326

(Bankr. S.D.N.Y. July 31, 2009); In re ION Media Networks, Inc., No. 09-13125 (Bankr. S.D.N.Y. June 23, 2009); In re Visteon Corporation, No. 09-11786 (Bankr. D. Del. June 19, 2009); In re DBSD North America, Inc., No. 09-13061 (Bankr. S.D.N.Y. June 9, 2009); In re Gen. Growth Props., Inc., No. 09-11977 (Bankr. S.D.N.Y. May 26, 2009); In re Sun-Times Media Group, Inc., No. 09-11092 (Bankr. D. Del. Apr. 29, 2009); In re Chemtura Corp., No. 09-11233 (Bankr. S.D.N.Y. Apr. 29, 2009); In re Source Interlink Companies, Inc., No. 09-11424 (Bankr. D. Del. Apr. 28, 2009); In re Charter Commc'ns, Inc., No. 09-11435 (Bankr. S.D.N.Y. Apr. 15, 2009); In re Masonite Corp., No. 09-10844 (Bankr. D. Del. Apr. 15, 2009); In re Muzak Holdings LLC, No. 09-10422 (Bankr. D. Del. Feb. 10, 2009); In re Tronox, Inc., No. 09-10156 (Bankr. S.D.N.Y. Feb. 6, 2009); In re Flying J, Inc., No. 08-13384 (Bankr. D. Del. Jan. 15, 2009); In re Portola Packaging, Inc., No. 08-12001 (Bankr. D. Del. Sept. 22, 2008); In re Hines Horticulture, Inc., No. 08-11922 (Bankr. D. Del. Sep. 10, 2008); In re Pierre Foods Inc., No. 08-11480 (Bankr. D. Del. Aug. 14, 2008); In re ACG Holdings, Inc., No. 08-11467 (Bankr. D. Del. Aug. 11, 2008); In re Kimball Hill, Inc., No. 08-10095 (Bankr. N.D. Ill. May 13, 2008); and In re Wellman, Inc., No. 08-10595 (Bankr. S.D.N.Y. Feb. 22, 2008).

13. K&E has represented the WB Group with respect to restructuring matters since May 11, 2009. Thus, K&E is familiar with the Debtor's business and many of the potential legal issues that may arise in the context of this chapter 11 case and the cross-border restructuring as a whole. In addition, K&E is currently representing White Birch Company, in its capacity as foreign representative, and the Chapter 15 Debtors in their Chapter 15 Cases pending before this Court. Accordingly, the Debtor believes that K&E is both well qualified and uniquely able to represent the Debtor in this Chapter 11 Case and in connection with the WB Group's cross-border restructuring in an efficient and timely manner.

**Services to be Provided**

14. Subject to further order of the Court and consistent with the Engagement Letter between the WB Group and K&E, the Debtor requests the retention of K&E to render the following legal services:

- a. advising the Debtor with respect to its powers and duties as a debtor in possession in the continued management and operation of its business and properties;
- b. advising and consulting on the conduct of the Chapter 11 Case, including all of the legal and administrative requirements of operating in chapter 11;
- c. attending meetings and negotiating with representatives of the creditors and other parties in interest;
- d. taking all necessary actions to protect and preserve the Debtor's estate, including prosecuting actions on the Debtor's behalf, defending any action commenced against the Debtor, and representing the Debtor's interests in negotiations concerning litigation in which the Debtor is involved, including objections to claims filed against the Debtor's estate;
- e. preparing pleadings in connection with the Chapter 11 Case, including motions, applications, answers, orders, reports, and papers necessary or otherwise beneficial to the administration of the Debtor's estate;
- f. representing the Debtor in connection with obtaining authority to continue using cash collateral and, if necessary, postpetition financing;
- g. advising the Debtor in connection with any potential sale of assets;
- h. appearing before the Court and any appellate courts to represent the interests of the Debtor's estate;
- i. advising the Debtor regarding certain tax matters;
- j. taking any necessary action on behalf of the Debtor to negotiate, prepare, and obtain approval of a disclosure statement and confirmation of a chapter 11 plan and all documents related thereto; and
- k. performing all other necessary legal services for the Debtor in connection with the prosecution of the Chapter 11 Case, including (i) analyzing the Debtor's leases and contracts and the assumption and assignment or rejection thereof; (ii) analyzing the validity of liens against the Debtor; and (iii) advising the Debtor on corporate and litigation matters.

**Professional Compensation**

15. K&E intends to apply for compensation for professional services rendered on an hourly basis and reimbursement of expenses incurred in connection with this Chapter 11 Case, subject to the Court's approval and in compliance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the guidelines established by the Office of the United States Trustee for the Eastern District Virginia (the "U.S. Trustee"), and any other applicable procedures and orders of the Court. The hourly rates and corresponding rate structure that K&E will use in this Chapter 11 Case are equivalent to the hourly rates and corresponding rate structure that K&E predominantly uses for other restructuring matters, as well as similar complex corporate, securities, and litigation matters whether in court or otherwise, regardless of whether a fee application is required. These rates and the rate structure reflect that corporate restructuring and other complex matters typically are national in scope and involve great complexity, high stakes, and severe time pressures.

16. K&E operates in a dynamic, national marketplace for legal services in which rates are driven by multiple factors relating to the individual lawyer, his or her area of specialization, the firm's expertise, performance, and reputation, the nature of the work involved, and other factors. Because the sub-markets for legal services are fragmented and are affected by a variety of individualized and interdependent factors, K&E has no one rate for an individual biller that applies to all matters for all clients. K&E's rates for an individual biller may vary as a function of the type of matter, geographic circumstance, nature of certain long-term client relationships, and various other factors.

17. K&E's hourly rates are set at a level designed to compensate K&E fairly for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. Hourly

rates vary with the experience and seniority of the individuals assigned. These hourly rates are subject to periodic adjustments to reflect economic and other conditions and are consistent with the rates charged elsewhere. In particular, K&E's current hourly rates for matters related to the chapter 11 case range as follows:<sup>4</sup>

<b>Billing Category</b>	<b>Range</b>
Partners	\$580-\$995
Of Counsel	\$435-\$995
Associates	\$340-\$670
Paraprofessionals	\$135-\$285

18. The following professionals are presently expected to have primary responsibility for providing services to the Debtor: Richard M. Cieri, Christopher J. Marcus, and Michael A. Cohen. In addition, as necessary, other K&E professionals and paraprofessionals will provide services to the Debtor.

19. It is K&E's policy to charge its clients in all areas of practice for identifiable, non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client. It is also K&E's policy to charge its clients only the amount actually incurred by K&E in connection with such items. Examples of such expenses include postage, overnight mail, courier delivery, transportation, overtime expenses, computer-assisted legal research, photocopying, outgoing facsimile transmissions, airfare, meals, and lodging.

20. To ensure compliance with all applicable deadlines in the Chapter 11 Case, K&E, from time to time, utilizes the services of overtime secretaries. K&E charges fees for these

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<sup>4</sup> For professionals and paraprofessionals residing outside of the U.S., hourly rates are billed in the applicable currency. When billing a U.S. entity, such foreign rates are converted into U.S. dollars at the then applicable conversion rate. After converting these foreign rates into U.S. dollars it is possible that certain rates may exceed the billing ranges listed in the chart herein.

services pursuant to the Engagement Letter, which permits K&E to bill the Debtor for overtime secretarial charges that arise out of business necessity. In addition, K&E professionals also may charge their overtime meals and overtime transportation to the Debtor consistent with prepetition practices.

21. K&E currently charges between \$0.10 and \$0.15 per page for standard duplication in its offices in the United States. K&E does not charge its clients for facsimile transmissions. K&E has negotiated a discounted rate for Westlaw computer assisted legal research. Computer assisted legal research is used whenever the researcher determines that using Westlaw is more cost effective than using traditional (non-computer assisted legal research) techniques.

22. Consistent with the terms of the Engagement Letter, on June 30, 2009 White Birch Company paid \$74,990.00 to K&E as a classic retainer. As the engagement intensified, the retainer was subsequently increased to \$249,990.00 before the 90-days prior to the Petition Date. The foregoing retainer payments constitute “classic retainer” payments as defined in In re Prod. Assocs., Ltd., 264 B.R. 180, 184–85 (Bankr. N.D. Ill. 2001), and In re McDonald Bros. Constr., Inc., 114 B.R. 989, 997–99 (Bankr. N.D. Ill. 1990). As such, K&E earned the classic retainer upon receipt, and, consequently, K&E placed the amounts into its general cash account. The amounts K&E has invoiced White Birch Company against the classic retainer for professional services and for the reimbursement of reasonable and necessary expenses incurred in connection therewith are set forth in the chart below. As of the Petition Date, the retainer balance was approximately \$116,271.10.

23. During the 90-day period prior to the Petition Date, White Birch Company paid K&E the following amounts:<sup>5</sup>

Type of Transaction	Invoice Number	Invoice Date	Billed Amount	Payment Date	Payment Amount	Retainer Balance
Retainer Replenishment				11/16/2010	\$104,691.09	\$249,960.00
Invoice	3512671	12/1/2009	\$124,266.09			\$125,693.91
Retainer Replenishment				12/10/2010	\$124,256.09	\$249,950.00
Invoice	3525527	1/8/2010	\$119,718.47			\$130,231.53
Retainer Replenishment				1/12/2010	\$119,708.47	\$249,940.00
Invoice	3541482	2/8/2010	\$105,014.50			\$144,925.50
Retainer Replenishment				2/10/2010	\$105,004.50	\$249,930.00
Invoice	3547066	2/18/2010	\$188,898.44			\$61,021.56
Retainer Replenishment				2/19/2010	\$188,898.44	\$249,930.00
Advance Estimated Payment				2/19/2010	\$51,101.56	\$301,031.56
Invoice	3548065	2/23/2010	\$184,760.46			\$116,271.10
Invoice	3548066	2/23/2010	\$100,000.00			\$16,271.10
Retainer Replenishment				2/24/2010	\$100,000.00	\$116,271.10

24. Moreover, pursuant to Bankruptcy Rule 2016(b), K&E has not shared nor agreed to share (a) any compensation it has received or may receive with another party or person, other than with the partners, associates, and contract attorneys associated with K&E or (b) any compensation another person or party has received or may receive. Any amounts owed by the WB Group for fees and expenses incurred prior to the Petition Date will be less than the balance of K&E's retainer as of the Petition Date.

25. As more fully described above, the WB Group is engaged in a complex cross-border restructuring involving the CCAA Cases, the Chapter 15 Cases, and this Chapter 11 Case. To ensure that the Debtor is not improperly billed for work performed on behalf of other WB

<sup>5</sup> The retainer increases and retainer replenishments reflected in the chart above, were paid by non-Debtor White Birch Company.

Group members, and that the non-Debtor entities in the WB Group are not paying K&E for work performed on behalf of the Debtor in its Chapter 11 Case, K&E intends to provide separate bills for the work it performs and expenses it incurs on behalf of the Debtor in its Chapter 11 Case. Accordingly, any work performed on behalf of (a) White Birch Company (in its capacity as foreign representative) and the Chapter 15 Debtors and/or (b) the WB Group as a whole in connection with the cross border restructuring will be billed separately and reimbursed by White Birch Company in a manner consistent with applicable Canadian law and will not be subject to this Court's approval. All work performed by K&E in connection with the Chapter 11 Case will be paid for by the Debtor's estate subject to the Court's approval and in compliance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, Local Bankruptcy Rules, the guidelines established by the U.S. Trustee, and any other applicable procedures and orders of the Court.

**K&E's Disinterestedness**

26. To the best of the Debtor's knowledge and as disclosed herein and in the Cieri Declaration: (a) K&E is a "disinterested person" within the meaning of section 101(14) of the Bankruptcy Code, as required by section 327(a) of the Bankruptcy Code, and does not hold or represent an interest adverse to the Debtor's estate; and (b) K&E has no connection to the Debtor, its creditors, or its related parties except as may be disclosed herein and in the Cieri Declaration.

27. K&E will review its files periodically during the pendency of the Chapter 11 Case to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, K&E will use reasonable efforts to identify

such further developments and will file promptly a supplemental declaration, as required by Bankruptcy Rule 2014(a).

**Waiver of Memorandum of Points and Authorities**

28. The Debtor respectfully requests that this Court treat this Application as a written memorandum of points and authorities or waive any requirement that this Application be accompanied by a written memorandum of points and authorities as described in Local Bankruptcy Rule 9013-1(G).

**Notice**

29. The Debtor has provided notice of this Application to: (a) the Office of the United States Trustee for the Eastern District of Virginia; (b) proposed counsel to the statutory committee of unsecured creditors appointed in this Chapter 11 Case; (c) counsel to the agent under the Debtor's proposed postpetition financing agreement; (d) counsel to the agent under the First Lien Term Loan Agreement; (e) counsel to the agent under the Second Lien Term Loan Agreement; (f) counsel to the agent under the Revolving ABL Agreement; (g) counsel to counterparties under the Swap Agreements; (h) the monitor appointed in the CCAA Cases; (i) the Internal Revenue Service; (j) the Securities and Exchange Commission; (k) the Virginia Secretary of State; and (l) the Virginia Secretary of Treasury. In light of the nature of the relief requested, the Debtor respectfully submits that no further notice is necessary.

**No Prior Request**

30. No prior request for the relief requested herein has been made to this or any other court.

WHEREFORE, for the reasons set forth herein and in the Cieri Declaration, the Debtor respectfully requests that the Court enter an order, substantially in the form attached hereto as Exhibit A, granting the relief requested herein and granting such other and further relief as the Court deems appropriate.

**BEAR ISLAND PAPER COMPANY, L.L.C.**

Dated: March 10, 2010  
Richmond, Virginia

By: /s/ Jonathan L. Hauser  
Of Counsel

Jonathan L. Hauser, Esquire  
VSB No. 18688  
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- and -

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Christopher J. Marcus (admitted *pro hac vice*)  
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*Proposed Attorneys for the Debtor and  
Debtor in Possession*

**Exhibit A**

**Proposed Order**

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*Proposed Attorneys for the Debtor and  
Debtor in Possession*

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION**

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In re: ) Chapter 11  
 )  
BEAR ISLAND PAPER COMPANY, L.L.C.,<sup>1</sup> ) Case No. 10-31202 (DOT)  
 )  
Debtor. )  
)

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**ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF  
KIRKLAND & ELLIS LLP AS ATTORNEYS FOR THE DEBTOR  
AND DEBTOR IN POSSESSION *NUNC PRO TUNC* TO THE PETITION DATE**

Upon the application, dated March 10, 2010 (the “Application”), of Bear Island Paper Company, L.L.C., as a debtor and a debtor in possession (“Bear Island” or the “Debtor”), for entry of an order (this “Order”) authorizing the Debtor to retain Kirkland & Ellis LLP (“K&E”) *nunc pro tunc* to the Petition Date,<sup>2</sup> pursuant to sections 327(a) and 330 of the Bankruptcy Code, Bankruptcy Rules 2014(a) and 2016, and Local Bankruptcy Rules 2014-1 and 2016-1 as more fully set forth in the Application; and the Court having found that the relief requested is in the best interests of the Debtor’s estate, its creditors, and other parties in interest; and the Court having found that it has jurisdiction to consider the Application and the relief requested therein

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<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are 0914. The principal address for the Debtor is 10026 Old Ridge Road, Ashland, Virginia 23005.

<sup>2</sup> All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Application.

pursuant to 28 U.S.C. §§ 157 and 1334; and the Court having found that consideration of the Application and the relief requested therein is a core proceeding pursuant to 28 U.S.C. § 157(b); and the Court having found that venue in this district is proper pursuant to 28 U.S.C. §§ 1408 and 1409; and the Court having found that the Debtor has provided appropriate notice of the Application and the opportunity for a hearing on the Application under the circumstances and that no other or further notice need be provided; and the Court having reviewed the Application and the Cieri Declaration; and the Court having heard the statements in support of the relief requested therein at a hearing before the Court (the “Hearing”); and the Court having found based on the representations made in the Application and the Cieri Declaration that (a) K&E does not hold or represent an interest adverse to the Debtor’s estate and (b) K&E is a “disinterested person” as defined in section 101(14) of the Bankruptcy Code and as required by section 327(a) of the Bankruptcy Code and Local Bankruptcy Rules 2014-1 and 2016-1; and the Court having determined that the legal and factual bases set forth in the Application and at the Hearing establish just cause for the relief granted herein; and upon all of the proceedings heard before the Court; and after due deliberation and sufficient cause appearing therefor, it is

**HEREBY ORDERED THAT:**

1. The Application is approved as provided herein, *nunc pro tunc* to the Petition Date.
2. The Debtor is authorized to retain K&E as its attorneys in accordance with the terms and conditions set forth in the Application and in the Engagement Letter attached hereto as **Exhibit 1**.
3. K&E is authorized to render professional services to the Debtor as described in the Application and the Engagement Letter.

4. K&E shall apply for compensation for professional services rendered on behalf of the Debtor and reimbursement of expenses incurred in connection with the Debtor's Chapter 11 Case in compliance with the applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the guidelines established by the United States Trustee, and any other applicable procedures and orders of the Court.

5. K&E will provide separate bills for the work it performs and expenses it incurs on behalf of the Debtor in its Chapter 11 Case. Any work performed on behalf of (a) White Birch Company (in its capacity as foreign representative) and the Chapter 15 Debtors and/or (b) the WB Group as a whole in connection with the cross border restructuring will be billed separately and reimbursed by White Birch Company in a manner consistent with applicable Canadian law and will not be subject to this Court's approval.

6. Allowance of K&E's compensation for services and reimbursement of expenses shall not be denied as a result of any facts disclosed in the Cieri Declaration on the basis that K&E is (a) not disinterested or (b) holds or represents any interest in the Chapter 11 Case that is adverse to the Debtor's estate on the matters for which K&E is proposed to be employed.

7. The Debtor and K&E are authorized to take all actions necessary to effectuate the relief granted pursuant to this Order.

8. Notwithstanding the possible applicability of Bankruptcy Rules 6004, 7062, or 9014, the terms and conditions of this Order shall be immediately effective and enforceable upon its entry.

9. The Court retains jurisdiction with respect to all matters arising from or related to the implementation of this Order.

Dated: \_\_\_\_\_, 2010  
Richmond, Virginia

Chief Judge Douglas O. Tice, Jr.  
United States Bankruptcy Judge

I ASK FOR THIS:

/s/ Jonathan L. Hauser

Jonathan L. Hauser  
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*Proposed Attorneys for the Debtor and  
Debtor in Possession*

**CERTIFICATION OF ENDORSEMENT**  
**UNDER LOCAL BANKRUPTCY RULE 9022-1(C)**

Pursuant to Local Bankruptcy Rule 9022-1(C), I hereby certify that the foregoing proposed order has been endorsed by or served upon all necessary parties.

/s/ Jonathan L. Hauser

**Exhibit 1**

**Engagement Letter**

**KIRKLAND & ELLIS LLP**  
AND AFFILIATED PARTNERSHIPS

Dated as of May 11, 2009

**PRIVILEGED & CONFIDENTIAL**  
**FOR ADDRESSEE'S EYES ONLY**

White Birch Paper Company  
80 Field Point Road  
Greenwich, CT 06830  
Attn: Edward D. Sherrick  
Senior Vice President  
Chief Financial Officer

Re: Retention to Provide Legal Services

Dear Edward:

We are very pleased that you have asked us to represent White Birch Paper Company and its subsidiaries and affiliates (collectively, "you," "your" or the "Company") in connection with a potential restructuring. Please note, the Firm's representation is only of the Company; the Firm does not and will not represent any shareholder, director, officer, partner, or joint venturer of the Company.

**General Terms.** This retention letter (the "Agreement") sets forth the terms of your retention of Kirkland & Ellis LLP and Kirkland & Ellis International LLP (collectively "K&E LLP" or the "Firm") to provide legal services and constitutes an agreement between us. The Agreement sets forth our entire agreement for rendering professional services for the current matter, as well as for all other existing or future matters, except where we otherwise agree in writing (e.g., by signing a different retention letter).

**Personnel.** I, along with my partners, Paul Basta and Chris Marcus, will be primarily responsible for this engagement. My hourly rate is \$965.00. The hourly rates for Paul and Chris are \$895.00 and \$725.00, respectively. The range of hourly rates for associates and partners in our U.S. offices is \$320.00 - \$965.00. Other attorneys and legal assistants also will perform services during the course of this engagement. We will involve such other lawyers and legal assistants in K&E LLP to the extent that your needs make such involvement desirable and acceptable to you.

**Fees.** The Firm will bill the Company for fees incurred at its regular hourly rates and in increments of one tenth of an hour. We reserve the right to adjust the Firm's billing rates from time to time in the ordinary course of the Firm's representation of the Company.

Although we will attempt to estimate fees to assist you in your planning if requested, such estimates are subject to change and are not binding unless otherwise expressly and unequivocally stated in writing.

**Expenses.** Expenses related to providing services shall be included in our statements as disbursements advanced by us on your behalf. Such expenses include photocopying, printing, scanning, witness fees, travel expenses, filing and recording fees, certain secretarial overtime, and other overtime expenses, postage, express mail, and messenger charges, deposition costs, computerized legal research charges, and other computer services, and miscellaneous other charges. Our clients pay directly (and are solely responsible for) certain larger costs, such as consultant or expert witness fees and expenses, and outside suppliers or contractors' charges. By executing this Agreement below, you agree to pay for all charges in accordance with the K&E LLP's schedule of charges, a copy of which is attached hereto at Schedule 1, as revised from time to time.

**Billing Procedures.** Our statements for fees and expenses are typically rendered monthly and, unless other arrangements are made, payment in full is due upon receipt. We may adjust our billing cycle upon agreement with you. You may have the billing statement in any reasonable format you choose, but we will select an initial format for the statement unless you otherwise request in writing. Depending on the circumstances, however, estimated or summary bills may be provided during certain billing cycles, with supporting time descriptions and expense summaries to follow thereafter.

**Retainer.** The Company will provide to the Firm a "classic retainer" in the amount of US \$75,000 as defined in *In re Production Associates, Ltd.*, 264 B.R. 180, 184 85 (Bankr. N.D. Ill. 2001) and *In re McDonald Bros. Construction, Inc.*, 114 B.R. 989, 997 99 (Bankr. N.D. Ill. 1990). As such, the classic retainer was earned by the Firm upon receipt. The initial amount of the classic retainer was set to approximate our estimate of fees and expenses expected to be accrued and unpaid by the Company between payment cycles. The Firm's estimate of expected fees and expenses may change based upon actual or expected fees and expenses incurred or expected to be incurred, as applicable. Further, the Company agrees to replenish the classic retainer upon receiving invoices from the Firm so that the classic retainer amount remains at or above the Firm's reasonably estimated fees and expenses expected to be accrued and unpaid by the Company between payment cycles.

The classic retainer will be placed into K&E LLP's general cash account, will not be held in a separate account on your behalf, and you will not receive any interest on these monies. You have no interest in the classic retainer. This amount does not constitute a security deposit.

**Termination.** Our retention may be terminated by either of us at any time by written notice by or to you. Our representation will end at the earliest of (a) your termination of our representation, (b) our withdrawal for cause, and (c) the substantial completion of our substantive work. We normally do not withdraw from a representation unless the client misrepresents or fails to disclose material facts, fails to pay fees or expenses, or makes it

unethical or unreasonably difficult for us to continue to represent the client, or unless other just cause exists. If permission for withdrawal is required by a court, we shall apply promptly for such permission, and termination shall coincide with the court order for withdrawal. If this Agreement or our services are terminated for any reason, such termination shall be effective only to terminate our services prospectively and all the other terms of this Agreement shall survive any such termination.

Upon cessation of our active involvement in a particular matter (even if we continue active involvement in other matters on your behalf), we will have no further duty to inform you of future developments or changes in law as may be relevant to such matter. Further, unless you and we mutually agree in writing to the contrary, we will have no obligation to monitor renewal or notice dates or similar deadlines that may arise from the matters for which we had been retained.

**Cell Phone and E-Mail Communication.** K&E LLP hereby informs you and you hereby acknowledge that K&E LLP's attorneys sometimes communicate with their clients and their clients' professionals and agents by cell telephone, that such communications are capable of being intercepted by others and therefore may be deemed no longer protected by the attorney-client privilege, and that you must inform K&E LLP if you do not wish K&E LLP to discuss privileged matters on cell telephones with you or your professionals or agents.

K&E LLP hereby informs you and you hereby acknowledge that K&E LLP's attorneys sometimes communicate with their clients and their clients' professionals and agents by unencrypted e-mail, that such communications are capable of being intercepted by others and therefore may be deemed no longer protected by the attorney-client privilege, and that you must inform K&E LLP if you wish to institute a system to encode all e-mail between K&E LLP and you or your professionals or agents.

**File Retention.** All records and files will be retained and disposed of in compliance with our policy in effect from time to time. Subject to future changes, it is our current policy generally not to retain records relating to a matter for more than five years. Upon your prior written request, we will return client records to you prior to their destruction. It is not administratively feasible for us to advise you of the closing of a matter or the disposal of records. We recommend, therefore, that you maintain your own files for reference or submit a written request for your client files promptly upon conclusion of a matter.

**Conflicts of Interest.** As is customary for a law firm of our size, you currently have relationships with numerous business entities that K&E LLP has represented or currently represents in matters unrelated to you. Further, in undertaking our representation of the Company, we want to be fair not only to its interests but also to those of our other clients. Because the Company is engaged in activities (and may in the future engage in additional activities) in which its interests may diverge from those of our other clients, the possibility exists that one of our current or future clients may take positions adverse to the Company (including litigation or other dispute resolution mechanisms) in a matter in which K&E LLP may be

retained. In the event a present conflict of interest exists between the Company and our other clients or in the event one arises in the future, the Company agrees to waive any such conflict of interest or other objection that would preclude our representation of another client in other current or future matters, substantially unrelated to this representation of the Company other than with respect to litigation against the Company. The Company also agrees that our representation is solely of the Company and that no member or other entity or person related to it (such as directors, officers or employees) has the status of a client for conflict of interest purposes.

**Restructuring Cases.** In the unlikely event it becomes necessary for you to commence a restructuring case under chapter 11 of the U.S. Bankruptcy Code, our ongoing employment by you will be subject to the approval of the court with jurisdiction over the petition. If necessary, K&E LLP will take steps necessary to prepare the disclosure materials required in connection with K&E LLP's retention as lead restructuring counsel. In the near term, K&E LLP will begin conflicts checks on potentially interested parties as provided by you.

If necessary, we will prepare a preliminary draft of a schedule describing K&E LLP's relationships with certain interested parties (the "Disclosure Schedule"). We will give you a draft of the Disclosure Schedule once it is available. Although K&E LLP believes that these relationships do not constitute actual conflicts of interest, these relationships must be described and disclosed in your application to the court to retain K&E LLP.

If actual conflicts of interest arise in the Company's restructuring cases, the Company will be required to use separate conflicts counsel in those matters, and the Firm will not participate in those matters.

**No Guarantee of Success.** It is impossible to provide any promise or guarantee about the outcome of your matters. Nothing in this Agreement or any statement by our staff or attorneys constitutes a promise or guarantee. Any comments about the outcome of your matter are simply expressions of judgment and are not binding on us.

**Consent to Use of Information.** In connection with future materials that, for marketing purposes, describe facets of our law practice and recite examples of matters we handle on behalf of clients, we will obtain your advance consent prior to including in such materials your identity as a client, factual synopses of your matters, or generally the results achieved, and in no event shall such materials disclose your confidences and secrets as defined by applicable ethical rules.

**Reimbursement of Expenses.** You agree promptly to reimburse us for all fees and expenses, including the amount of K&E LLP's attorney and paralegal time at normal billing rates, as incurred by us in connection with participating in, preparing for, or responding to any action, claim, suit or proceeding brought by or against any third-party that relates to the legal services provided by us under the Agreement. Without limiting the scope of the foregoing, and by way of example only, this paragraph extends to all such fees and expenses incurred by us in responding to document subpoenas, and preparing for and testifying at depositions and trials.

LLP. Kirkland & Ellis LLP is a limited liability partnership organized under the laws of Illinois, and Kirkland & Ellis International LLP is a limited liability partnership organized under the laws of Delaware. Pursuant to those statutory provisions, an obligation incurred by a limited liability partnership, whether arising in tort, contract or otherwise, is solely the obligation of the limited liability partnership, and partners are not personally liable, directly or indirectly, by way of indemnification, contribution, assessment or otherwise, for such obligation solely by reason of being or so acting as a partner.

Miscellaneous. This Agreement sets forth our entire agreement for rendering professional services. It can be amended or modified only in writing and not orally or by course of conduct. Each party signing below is jointly and severally responsible for all obligations due us and represents that each has full authority to execute this Agreement so that it is binding. This Agreement may be signed in one or more counterparts and binds each party countersigning below, whether or not any other proposed signatory ever executes it. If any provision of this Agreement or the application thereof is held invalid or unenforceable, the invalidity or unenforceability shall not affect other provisions or applications of this Agreement which can be given effect without such provisions or application, and to this end the provisions of this Agreement are declared to be severable.

We are not advising you with respect to this Agreement because we would have a conflict of interest in doing so. If you wish advice, you should consult independent counsel of your choice.

Please confirm your agreement with the arrangements described in this letter by signing below and returning it to me via fax: 212-446-4900.

Very truly yours,

KIRKLAND & ELLIS LLP

By *Richard M. Cieri*  
Printed Name: Richard M. Cieri  
Title: Partner

Agreed to and accepted as of this 14 day of May, 2009.

By: *Edward D. Sherrick*  
Printed Name: Edward D. Sherrick  
Title: Senior Vice President and  
Chief Financial Officer

**KIRKLAND & ELLIS LLP**

**CLIENT-REIMBURSABLE EXPENSES AND OTHER CHARGES**

*Effective 1/1/10*

The following outlines Kirkland & Ellis's ("K&E's") policies and standard charges for various services performed by the Firm and/or by other third parties on behalf of the client which are often ancillary to our legal services. Services provided by in-house Firm personnel are for the convenience of our clients. Given that these services are often ancillary to our legal services, in certain instances, it may be appropriate and/or more cost efficient for these services to be outsourced to a third-party vendor. If services are provided beyond those outlined below, pricing will be based on the Firm's approximate cost and/or comparable market pricing.

- **Duplicating, Reprographics and Printing:** The following list details the Firm's charges for duplicating, reprographics and printing services:
  - ▶ Black and White Copy or Print (all sizes of paper):
    - \$0.15 per impression for all U.S. offices
    - €0.10 per impression in Munich
    - £0.12 per impression in London
    - HK\$0.75 per impression in Hong Kong
    - RMB0.75 per impression in Shanghai
  - ▶ Color Copy or Print (all sizes of paper):
    - \$0.50 per impression
  - ▶ Scanned Images:
    - \$0.15 per page for black and white or color scans
  - ▶ Other Services:
    - CD/DVD Duplicating or Mastering - \$7/\$10 per CD/DVD
    - Binding - \$0.70 per binding
    - Large or specialized binders - \$8/\$17
    - Labels and Tabs - \$0.03 - \$0.10 per item based on service
    - Black and White or Color Transparency - \$0.15 or \$0.65 per page
- **Secretarial and Word Processing:** Clients are not charged for secretarial and word processing activities incurred on their matters during standard business hours.
- **Overtime Charges:** Secretarial and word processing overtime costs are not passed on to clients unless either (i) the client has specifically requested the after-hours work or (ii) the nature of the work being done for the client necessitates the overtime and such work could not have been done during normal working hours. Costs for related overtime meals and transportation are charged to the client under the same conditions and subject to any applicable regulations or guidelines.

- **Travel Expenses:** We charge clients our out-of-pocket costs for travel expenses including associated travel agency fees. We charge coach fares (business class for international flights) unless the client has approved first-class or an upgrade. K&E personnel are instructed to incur only reasonable airfare, hotel and meal expenses. K&E negotiates, uses, and passes along volume discount hotel and air rates whenever practicable. However, certain retrospective rebates may not be passed along.
- **Communication Expenses:**  
We do not charge clients for telephone calls or faxes made from K&E's offices with the exception of third-party conference calls and videoconferences.  
Charges incurred for conference calls, videoconferences, cellular telephones, and calls made from other third-party locations will be charged to the client at the actual cost incurred. Further, other telecommunication expenses incurred at third-party locations (e.g., phone lines at trial sites, Internet access, etc.) will be charged to the client at the actual cost incurred.
- **Overnight Delivery/Postage:** We charge clients for the actual cost of overnight and special delivery (e.g., Express Mail, FedEx, and DHL), and U.S. postage for materials mailed on the client's behalf. K&E negotiates, uses, and passes along volume discount rates whenever practicable.
- **Messengers:** We charge clients for the actual cost of a third party vendor messenger. Where a K&E in-house messenger is used, we charge clients a standard transaction charge plus applicable cab fare.
- **Computerized Research Services:** Client charges are limited to K&E's actual third-party costs and do not include any surcharges for related overhead. K&E negotiates, uses, and passes along volume discount rates whenever practicable. As discounts are customarily based on overall volume, the amount of the discount may vary from month to month.
- **Off-Site Legal Files Storage:** Clients are not charged for off-site storage of files unless the storage charge is approved in advance.
- **Electronic Data Storage:** The Firm will not charge clients for costs to store electronic data and files related to cases on the Firm's systems if the data stored does not exceed 250 gigabytes (GB). If the data stored for a specific client exceeds 250GB, the Firm will charge clients \$1.25 per month/per GB until the data is either returned to the client or properly disposed of.
- **Document Procurement:** Our standard client charge for document retrieval when a K&E library employee obtains a document from an outside source is \$25 per document. There is no client charge for retrieving documents from K&E libraries in other cities or from other collections when the document is part of the K&E collection but unavailable.

- **Calendar Court Services:** Our standard charge is \$25 for a court filing and other court services or transactions.
- **Library and Business/Industry Research Services:** Research specialists perform computerized research services at the request of attorneys, and clients are charged per hour for these services.
- **Supplies:** There is no client charge for standard office supplies. Clients are charged for special items (e.g., a minute book, exhibit tabs/indexes/dividers, binding, etc.) and then at K&E's actual cost.
- **Contract Attorneys and Contract Non-Attorney Billers:** If there is a need to utilize a contract attorney or contract non-attorney on a client engagement, clients will be charged a standard hourly rate for these billers unless other specific billing arrangements are agreed between the Firm and client.
- **Expert Witnesses, Experts of Other Types, and Other Third Party Consultants:** If there is a need to utilize an expert witness, expert of other type, or other third party consultant such as accountants, investment bankers, academicians, other attorneys, etc. on a client engagement, clients will be requested to retain or pay these individuals directly unless specific billing arrangements are agreed between the Firm and client.
- **Third Party Expenditures:** Third party expenditures (e.g., corporate document and lien searches, lease of office space at Trial location, IT equipment rental, SEC and regulatory filings, etc.) incurred on behalf of a client, will be passed through to the client at actual cost. If the invoice exceeds \$50,000, it is K&E's policy that wherever possible such charges will be directly billed to the client. In those circumstances where this is not possible, K&E will seek reimbursement from our client prior to paying the vendor.

Unless otherwise noted, charges billed in foreign currencies are determined annually based on current U.S. charges at an appropriate exchange rate.

**Exhibit B**

**Declaration of Richard M. Cieri  
Partner, Kirkland & Ellis LLP**

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE EASTERN DISTRICT OF VIRGINIA  
RICHMOND DIVISION

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In re: ) Chapter 11  
 )  
BEAR ISLAND PAPER COMPANY, L.L.C.,<sup>1</sup> ) Case No. 10-31202 (DOT)  
 )  
Debtor. )  
)

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**DECLARATION OF RICHARD M. CIERI IN SUPPORT OF THE APPLICATION FOR  
ENTRY OF AN ORDER AUTHORIZING THE EMPLOYMENT AND RETENTION OF  
KIRKLAND & ELLIS LLP AS ATTORNEYS FOR THE DEBTOR AND DEBTOR IN  
POSSESSION *NUNC PRO TUNC* TO THE PETITION DATE**

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I, Richard M. Cieri, being duly sworn, state the following under penalty of perjury:

1. I am a partner in the law firm of Kirkland & Ellis LLP (“K&E”), located at 601 Lexington Avenue, New York, New York 10022. I am admitted, practicing, and in good standing as a member of the Bar of the State of New York and I am admitted to practice before the United States District Court for the Southern District of New York. There are no disciplinary proceedings pending against me.
2. I submit this declaration (this “Declaration”) in support of the application (the “Application”) of the above-captioned debtor and debtor in possession (“Bear Island” or the “Debtor”) for an order pursuant to sections 327(a) and 330 of title 11 of the United States Code (the “Bankruptcy Code”), Rules 2014(a) and 2016 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), and Rules 2014-1 and 2016-1 of the Local Rules of Bankruptcy Practice and Procedure for the United States Bankruptcy Court for the Eastern District of Virginia

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<sup>1</sup> The last four digits of the Debtor’s federal tax identification number are 0914. The principal address for the Debtor is 10026 Old Ridge Road, Ashland, Virginia 23005.

(the “Local Bankruptcy Rules”) authorizing the Debtor to employ and retain K&E as attorneys to the Debtor in connection with its chapter 11 case (the “Chapter 11 Case”). Except as otherwise noted, I have personal knowledge of the matters set forth herein.

**K&E’s Qualifications**

3. The Debtor seeks to retain K&E because of K&E’s recognized expertise and extensive experience and knowledge in the field of corporate restructuring, creditors’ rights, and business reorganizations under chapter 11 of the Bankruptcy Code.

4. K&E has been actively involved in major chapter 11 cases and has represented debtors in many cases, including, among others: In re Movie Gallery, Inc., No. 07-33849 (Bankr. E.D. Va. Oct. 16, 2007); In re Citadel Broadcasting Corp., No. 09-17442 (Bankr. S.D.N.Y. Feb. 3, 2009); In re The Majestic Star Casino, LLC, No. 09-14136 (Bankr. D. Del. Nov. 23, 2009); In re Stallion Oilfield Services Ltd., No. 09-13562 (Bankr. D. Del. Nov. 16, 2009); In re The Readers Digest Assoc., No. 09-3529 (Bankr. S.D.N.Y. Sept. 17, 2009); In re Lear Corporation, No. 09-14326 (Bankr. S.D.N.Y. July 31, 2009); In re ION Media Networks, Inc., No. 09-13125 (Bankr. S.D.N.Y. June 23, 2009); In re Visteon Corporation, No. 09-11786 (Bankr. D. Del. June 19, 2009); In re DBSD North America, Inc., No. 09-13061 (Bankr. S.D.N.Y. June 9, 2009); In re Gen. Growth Props., Inc., No. 09-11977 (Bankr. S.D.N.Y. May 26, 2009); In re Sun-Times Media Group, Inc., No. 09-11092 (Bankr. D. Del. Apr. 29, 2009); In re Chemtura Corp., No. 09-11233 (Bankr. S.D.N.Y. Apr. 29, 2009); In re Source Interlink Companies, Inc., No. 09-11424 (Bankr. D. Del. Apr. 28, 2009); In re Charter Commc’ns, Inc., No. 09-11435 (Bankr. S.D.N.Y. Apr. 15, 2009); In re Masonite Corp., No. 09-10844 (Bankr. D. Del. Apr. 15, 2009); In re Muzak Holdings LLC, No. 09-10422 (Bankr. D. Del. Feb. 10, 2009); In re Tronox, Inc., No. 09-10156 (Bankr. S.D.N.Y. Feb. 6, 2009); In re Flying J, Inc., No. 08-13384 (Bankr. D. Del. Jan. 15, 2009); In re Portola Packaging, Inc., No. 08-12001 (Bankr. D. Del. Sept. 22, 2008); In re Hines

Horticulture, Inc., No. 08 11922 (Bankr. D. Del. Sep. 10, 2008); In re Pierre Foods Inc., No. 08-11480 (Bankr. D. Del. Aug. 14, 2008); In re ACG Holdings, Inc., No. 08-11467 (Bankr. D. Del. Aug. 11, 2008); In re Kimball Hill, Inc., No. 08 10095 (Bankr. N.D. Ill. May 13, 2008); and In re Wellman, Inc., No. 08-10595 (Bankr. S.D.N.Y. Feb. 22, 2008).

5. K&E is familiar with the Debtor's business and many of the legal issues that may arise in the context of the Chapter 11 Case. K&E is both well-qualified and uniquely able to represent the Debtor in this Chapter 11 Case in an efficient and timely manner.

**Services to Be Provided**

6. Subject to Court approval, pursuant to the terms of an engagement letter dated May 11, 2009 (the "Engagement Letter"), a copy of which is attached as Exhibit 1 to Exhibit A to the Application, White Birch Paper Company ("White Birch Company") and its subsidiaries and affiliates (collectively, the "WB Group") retained K&E to provide, without limitation, the following legal services:

- a. advising the Debtor with respect to its powers and duties as a debtor in possession in the continued management and operation of its business and properties;
- b. advising and consulting on the conduct of the Chapter 11 Case, including all of the legal and administrative requirements of operating in chapter 11;
- c. attending meetings and negotiating with representatives of the creditors and other parties in interest;
- d. taking all necessary actions to protect and preserve the Debtor's estate, including prosecuting actions on the Debtor's behalf, defending any action commenced against the Debtor, and representing the Debtor's interests in negotiations concerning litigation in which the Debtor is involved, including objections to claims filed against the Debtor's estate;
- e. preparing pleadings in connection with the Chapter 11 Case, including motions, applications, answers, orders, reports, and papers necessary or otherwise beneficial to the administration of the Debtor's estate;

- f. representing the Debtor in connection with obtaining authority to continue using cash collateral and, if necessary, postpetition financing;
- g. advising the Debtor in connection with any potential sale of assets;
- h. appearing before the Court and any appellate courts to represent the interests of the Debtor's estate;
- i. advising the Debtor regarding certain tax matters;
- j. taking any necessary action on behalf of the Debtor to negotiate, prepare, and obtain approval of a disclosure statement and confirmation of a chapter 11 plan and all documents related thereto; and
- k. performing all other necessary legal services for the Debtor in connection with the prosecution of the Chapter 11 Case, including (i) analyzing the Debtor's leases and contracts and the assumption and assignment or rejection thereof; (ii) analyzing the validity of liens against the Debtor; and (iii) advising the Debtor on corporate and litigation matters.

**Compensation Received by K&E from White Birch Company**

7. Consistent with the terms of the Engagement Letter, on June 30, 2009 White Birch Company paid \$74,990.00 to K&E as a classic retainer. As the engagement intensified, the retainer was subsequently increased to \$249,990.00 before the 90-days prior to the Petition Date. The foregoing retainer payments constitute "classic retainer" payments as defined in In re Prod. Assocs., Ltd., 264 B.R. 180, 184-85 (Bankr. N.D. Ill. 2001), and In re McDonald Bros. Constr., Inc., 114 B.R. 989, 997-99 (Bankr. N.D. Ill. 1990). As such, K&E earned the classic retainer upon receipt, and, consequently, K&E placed the amounts into its general cash account. The amounts K&E has invoiced White Birch Company against the classic retainer for professional services and for the reimbursement of reasonable and necessary expenses incurred in connection therewith are set forth in the chart below. During the 90-day period prior to the Petition Date, White Birch Company paid K&E the following amounts:<sup>2</sup>

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<sup>2</sup> The retainer increases and retainer replenishments reflected in the chart above were paid by non-Debtor White Birch Company.

(Continued)

Type of Transaction	Invoice Number	Invoice Date	Billed Amount	Payment Date	Payment Amount	Retainer Balance
Retainer Replenishment				11/16/2010	\$104,691.09	\$249,960.00
Invoice	3512671	12/1/2009	\$124,266.09			\$125,693.91
Retainer Replenishment				12/10/2010	\$124,256.09	\$249,950.00
Invoice	3525527	1/8/2010	\$119,718.47			\$130,231.53
Retainer Replenishment				1/12/2010	\$119,708.47	\$249,940.00
Invoice	3541482	2/8/2010	\$105,014.50			\$144,925.50
Retainer Replenishment				2/10/2010	\$105,004.50	\$249,930.00
Invoice	3547066	2/18/2010	\$188,898.44			\$61,021.56
Retainer Replenishment				2/19/2010	\$188,898.44	\$249,930.00
Advance Estimated Payment				2/19/2010	\$51,101.56	\$301,031.56
Invoice	3548065	2/23/2010	\$184,760.46			\$116,271.10
Invoice	3548066	2/23/2010	\$100,000.00			\$16,271.10
Retainer Replenishment				2/24/2010	\$100,000.00	\$116,271.10

8. Any amounts owed by the WB Group for fees and expenses incurred prior to the Petition Date will be less than the balance of K&E's retainer as of the Petition Date.

**Professional Compensation During the Chapter 11 Case**

9. K&E intends to apply for compensation for professional services rendered and reimbursement of expenses incurred in connection with the Chapter 11 Case, subject to the Court's approval and in compliance with applicable provisions of the Bankruptcy Code, the Bankruptcy Rules, the Local Bankruptcy Rules, the guidelines established by the Office of the United States Trustee for the Eastern District of Virginia (the "U.S. Trustee"), and any other applicable procedures or orders of the Court, on an hourly basis. The hourly rates and corresponding rate structure that K&E will use in this Chapter 11 Case are equivalent to the hourly rates and corresponding rate structure that K&E predominantly uses for other restructuring

matters, as well as similar complex corporate, securities, and litigation matters whether in court or otherwise, regardless of whether a fee application is required. These rates and the rate structure take into consideration that corporate restructurings and other complex matters typically are national in scope and involve great complexity, high stakes, and severe time pressures.

10. K&E operates in a dynamic, national marketplace for legal services in which rates are driven by multiple factors, including the individual lawyer, his or her area of specialization, the firm's expertise, performance, and reputation, the nature of the work involved, and other factors. Because the sub-markets for legal services are fragmented and are affected by a variety of individualized and interdependent factors, K&E has no one rate for an individual biller that applies to all matters for all clients. K&E's rates for an individual biller may vary as a function of the type of matter, geographic factors, the nature of certain long-term client relationships, and various other factors, including those stated above.

11. K&E's hourly rates are set at a level designed to fairly compensate K&E for the work of its attorneys and paralegals and to cover fixed and routine overhead expenses. Hourly rates vary with the experience and seniority of the individuals assigned. These hourly rates are subject to periodic adjustments to reflect economic and other conditions and are consistent with the rates charged elsewhere. In particular, K&E's hourly rates for matters related to the chapter 11 case range as follows:<sup>3</sup>

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<sup>3</sup> For professionals and paraprofessionals residing outside of the U.S., hourly rates are billed in the applicable currency. When billing a U.S. entity, such foreign rates are converted into U.S. dollars at the then applicable conversion rate. After converting these foreign rates into U.S. dollars it is possible that certain rates may exceed the billing ranges listed in the chart herein.

<b>Billing Category</b>	<b>Range</b>
Partners	\$580-\$995
Of Counsel	\$435-\$995
Associates	\$340-\$670
Paraprofessionals	\$135-\$285

12. Christopher J. Marcus (\$765), Michael A. Cohen (\$745), and I (\$995) are presently expected to have primary responsibility for providing services to the Debtor. In addition, from time to time, other K&E professionals and paraprofessionals will provide services to the Debtor.

13. It is K&E's policy to charge its clients in all areas of practice for identifiable, non-overhead expenses incurred in connection with the client's case that would not have been incurred except for representation of that particular client. It is also K&E's policy to charge its clients only the amount actually incurred by K&E in connection with such items. Examples of such expenses include postage, overnight mail, courier delivery, transportation, overtime expenses, computer-assisted legal research, photocopying, airfare, meals, and lodging.

14. To ensure compliance with all applicable deadlines in the Chapter 11 Case, K&E occasionally utilizes the services of overtime secretaries. K&E charges fees for these services pursuant to the Engagement Letter, which permits K&E to bill the Debtor for overtime secretarial charges that arise out of business necessity. In addition, K&E professionals also may charge their overtime meals and overtime transportation to the Debtor consistent with prepetition practices.

15. K&E currently charges between \$0.10 and \$0.15 per page for standard duplication in its offices in the United States. K&E does not charge its clients for facsimile transmissions. K&E has negotiated a discounted rate for Westlaw computer assisted legal research. Computer assisted legal research is used whenever the researcher determines that using Westlaw is more cost effective than using traditional (non-computer assisted legal research) techniques.

16. K&E further states that, pursuant to Bankruptcy Rule 2016(b), it has not shared nor agreed to share (a) any compensation it has received or may receive with another party or person, other than with the partners, associates, and contract attorneys associated with K&E or (b) any compensation another person or party has received or may receive.

17. The WB Group is engaged in a complex cross-border restructuring involving insolvency proceedings in Canada, chapter 15 proceedings before this Court involving certain Canadian WB Group entities, and this Chapter 11 Case. To ensure that the Debtor is not improperly billed for work performed on behalf of other WB Group members, and that the non-Debtor entities in the WB Group are not paying K&E for work performed on behalf of the Debtor in its Chapter 11 Case, K&E intends to provide separate bills for the work it performs and expenses it incurs on behalf of the Debtor in its Chapter 11 Case. Accordingly, any work performed on behalf of (a) White Birch Company (in its capacity as the appointed foreign representative of the Canadian insolvency proceedings) and the other chapter 15 petitioners and/or (b) the WB Group as a whole in connection with the cross border restructuring will be billed separately and reimbursed by White Birch Company in a manner consistent with applicable Canadian law and will not be subject to this Court's approval. All work performed by K&E in connection with the Chapter 11 Case will be paid for by the Debtor's estate subject to the Court's approval and in compliance with applicable provisions of the Bankruptcy Code, Bankruptcy Rules, Local Bankruptcy Rules, the guidelines established by the U.S. Trustee, and any other applicable procedures and orders of the Court.

**K&E's Disinterestedness**

18. K&E and certain of its partners and associates may have in the past represented, may currently represent, and likely in the future will represent, parties in interest in the Chapter 11 Case in connection with matters unrelated (except as otherwise disclosed herein) to the Debtor

and the Chapter 11 Case. K&E has searched on its electronic database for its connection to the entities listed on Schedule 1 attached hereto. The information listed on Schedule 1 may have changed without our knowledge and may change during the pendency of the Chapter 11 Case. Accordingly, K&E will update this Declaration as necessary and when K&E becomes aware of additional material information. The following is a list of the categories that K&E has searched:

<u>Schedule</u>	<u>Category</u>
1(a)	Current and Recent Former Entities Affiliated with the Debtor
1(b)	Current and Recent Former Directors and Officers
1(c)	Affiliations of Officers and Directors
1(d)	Banks
1(e)	Competitors
1(f)	Current/Former Equity Holders
1(g)	Customers
1(h)	Insurers
1(i)	Lenders
1(j)	Letters of Credit
1(k)	Litigation Parties
1(l)	Parties to Executory Contracts
1(m)	Professionals
1(n)	Top 30 Trade Creditors
1(o)	Top Unsecured Creditors
1(p)	Unions
1(q)	Utilities
1(r)	United States Trustee, Judges, and Court Contacts for the Eastern District of Virginia (and Key Staff Members)

19. To the best of my knowledge, (a) K&E is a “disinterested person” within the meaning of section 101(14) of the Bankruptcy Code, as required by section 327(a) of the Bankruptcy Code, and does not hold or represent an interest adverse to the Debtor’s estate and (b) K&E has no connection to the Debtor, its creditors, or their related parties except as may be disclosed in this Declaration.

20. Listed on Schedule 2 attached hereto are the results of K&E's conflicts searches of the above-listed entities.<sup>4</sup> For the avoidance of doubt, K&E will not commence a cause of action in the Chapter 11 Case against the parties listed on Schedule 2 that are current or ongoing clients of K&E (including parties below-listed under the "Specific Disclosures" section of this Declaration) unless K&E has an applicable waiver on file or first receives a waiver from such party allowing K&E to commence such an action. To the extent that a waiver does not exist or is not obtained from such client, and it is necessary for the Debtor to commence an action against that client, either Troutman Sanders LLP will represent the Debtor in that particular matter or the Debtor will retain separate conflicts counsel to do so.

21. K&E's conflicts search of the parties in interest listed on Schedules 1(a) – 1(r) attached hereto<sup>5</sup> (that K&E was able to locate using its reasonable efforts) reveals, to the best of K&E's knowledge, that certain K&E attorneys and paraprofessionals who previously worked at other law firms that represented certain potential parties in interest in the chapter 11 case have not worked on matters relating to the Debtor's restructuring efforts while at K&E.

22. Based on the conflicts search conducted to date and described herein, to the best of my knowledge, neither I, K&E, nor any partner or associate thereof, insofar as I have been able to ascertain, have any connection with the Debtor, its creditors, or any other parties in interest, their respective attorneys and accountants, the U.S. Trustee, or any person employed in the office of

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<sup>4</sup> As referenced in Exhibit 2, the term "current client" means a client to whom time was posted in the twelve months preceding the Petition Date. As referenced in Exhibit 2, the term "former client" means a client to whom time was posted between twelve and 36 months preceding the Petition Date. As referenced in Exhibit 2, the term "closed client" means a client to whom time was posted in the 36 months preceding the Petition Date, but for which the client representation has been closed. As a general matter, K&E discloses connections with former clients or closed clients for whom time was posted in the last 36 months, but does not disclose connections if time was billed more than 36 months before the Petition Date.

<sup>5</sup> In preparing for the Chapter 11 Case, K&E conducted a broad conflicts search which encompassed entities associated with the WB Group, and not just those solely associated with the Debtor.

the U.S. Trustee, or any Judge currently serving on the Bankruptcy Court for the Eastern District of Virginia, except as disclosed or otherwise described herein.

23. K&E will periodically review its files during the pendency of the Chapter 11 Case to ensure that no conflicts or other disqualifying circumstances exist or arise. If any new relevant facts or relationships are discovered or arise, K&E will use reasonable efforts to identify such further developments and will file promptly a supplemental declaration, as required by Bankruptcy Rule 2014(a).

24. From time to time, K&E has referred work to other professionals to be retained in the Chapter 11 Case. Likewise, certain such professionals have referred work to K&E.

25. Certain insurance companies pay the legal bills of K&E clients. Some of these insurance companies may be involved in the Chapter 11 Case. None of these insurance companies, however, are K&E clients as a result of this situation.

#### Specific Disclosures

26. As specifically set forth below and in the attached schedules, K&E represents certain of the Debtor's and/or the WB Group's creditors, equity security holders, or other parties in interest in ongoing matters unrelated to the Debtor and the Chapter 11 Case. None of the representations described herein are materially adverse to the interests of the Debtor's estate. Moreover, pursuant to section 327(c) of the Bankruptcy Code, K&E is not disqualified from acting as the Debtor's counsel merely because it represents certain of the Debtor's creditors, equity security holders, or other parties in interest in matters unrelated to the Chapter 11 Case.

##### **A. Relationship with Entities Affiliated with the Debtor**

27. K&E represents SP Newsprint Co., LLC, along with its subsidiaries and affiliates, (collectively, "SP Newsprint") in matters that are not adverse to the Debtor or its estate. White Birch Company maintains a significant equity ownership interest in SP Newsprint. K&E does

not believe that its representation of SP Newsprint creates a conflict of interest in the Chapter 11 Case, but K&E has disclosed it out of an abundance of caution.

28. Additionally, K&E represents the other entities in the WB Group in its comprehensive cross-border restructuring, including White Birch Company—both in its capacity as a restructuring client and as the appointed foreign representative in the Canadian insolvency proceedings—and five of its subsidiaries and affiliates in their chapter 15 recognition proceedings currently pending before this Court. K&E does not believe that its representation of the other WB Group entities is adverse to the Debtor's estate, nor does K&E believe that such representation creates a conflict of interest with respect to this Chapter 11 Case.

**B. Relationships with Certain Creditor Financial Institutions**

29. As disclosed herein and in Schedule 2 attached hereto, K&E currently represents, and has formerly represented, certain affiliates, subsidiaries, and entities associated with the WB Group's creditor financial institutions. All prior and current K&E representations of these financial institutions have been in matters unrelated to the Debtor and the Chapter 11 Case.

**C. Relationships with Customers**

30. As disclosed in Schedule 2 attached hereto, K&E currently represents, and has formerly represented, certain affiliates, subsidiaries, joint ventures, and/or entities associated with customers of the WB Group. All prior and current representations have been in matters unrelated to the Debtor and the Chapter 11 Case.

**D. Relationships with Vendors**

31. As disclosed in Schedule 2 attached hereto, K&E currently represents, and has formerly represented, certain affiliates, subsidiaries, joint ventures, and/or entities associated with vendors of the WB Group. Except as set forth below, all prior and current representations have been in matters unrelated to the Debtor and the Chapter 11 Case.

32. K&E represented ACG Holdings, Inc. and certain of its affiliates, (collectively “ACG”) in restructuring and related matters that were unrelated to the Chapter 11 Case, including with respect to ACG’s chapter 11 cases, which are now closed. K&E does not believe that its prior representation of ACG constitutes a conflict of interest in connection with the Chapter 11 Case, but K&E has disclosed it out of an abundance of caution.

**E. K&E Attorney and Employee Investments**

33. From time to time, K&E partners, of counsel, associates, and employees personally invest in mutual funds, retirement funds, private equity funds, venture capital funds, hedge funds, and other types of investment funds (the “Investment Funds”), through which such individuals indirectly acquire a debt or equity security of many companies, one of which may be the Debtor, often without K&E’s knowledge. The investing K&E person(s) generally own substantially less than 1% of such Investment Fund, do not manage or otherwise control such Investment Fund, and have no influence over the Investment Fund’s decision to buy, sell, or vote any particular security. The Investment Fund is generally operated as a blind pool, meaning that when the K&E person(s) make an investment in the Investment Fund, he, she, or they do not know what securities the blind pool Investment Fund will purchase or sell, and have no control over such purchases or sales.

34. From time to time one or more K&E partners and of counsel voluntarily choose to form an entity (a “Passive-Intermediary Entity”) to invest in one or more Investment Funds. Such Passive-Intermediary Entity is composed only of persons who were K&E partners and of counsel at the time of the Passive-Intermediary Entity’s formation (although some are now former K&E partners and of counsel). Participation in such a Passive-Intermediary Entity is wholly voluntary, and only a portion of K&E’s partners and of counsel have chosen to participate. The Passive-Intermediary Entity generally owns substantially less than 1% of any such Investment

Fund, does not manage or otherwise control such Investment Fund, and has no influence over the Investment Fund's decision to buy, sell, or vote any particular security. Each Investment Fund in which a Passive-Intermediary Entity invests is operated as a blind pool, so that the Passive-Intermediary Entity does not know what securities the blind pool Investment Funds will purchase or sell, and has no control over such purchases or sales. And, indeed, the Passive-Intermediary Entity often arranges for statements and communications from the Investment Funds to be sent solely to a blind administrator who edits out all information regarding the identity of the Investment Fund's underlying investments, so that the Passive-Intermediary Entity does not learn (even after the fact) the identity of the securities purchased, sold, or held by the Investment Fund.

35. From time to time, K&E partners, of counsel, associates, and employees personally directly acquire a debt or equity security of a company which may be the Debtor. K&E has a long-standing policy that prohibits attorneys and employees from using confidential information that may come to their attention in the course of their work. In this regard, all K&E attorneys and employees are barred from trading in securities with respect to which they possess confidential information.

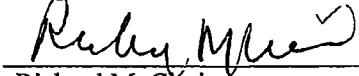
#### **F. Other Disclosures**

36. Prior to joining the firm in March 2007, K&E partner Albert Cho represented numerous clients adverse to K&E's current and former restructuring clients, including certain debtors. Out of an abundance of caution, Mr. Cho will not perform any legal services for the Debtor related to this Chapter 11 Case. K&E has instituted formal screening measures to screen Mr. Cho from all aspects of K&E's representation of the Debtor.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Dated: March 9, 2010

Respectfully submitted,



Richard M. Cieri  
Partner, Kirkland & Ellis LLP

## SCHEDULE 1

The following lists contain the names of reviewed entities as described more fully in the *Declaration of Richard M. Cieri in Support of the Application for Entry of an Order Authorizing the Employment and Retention of Kirkland & Ellis LLP as Attorneys for the Debtor and Debtor in Possession Nunc Pro Tunc to the Petition Date* (the “Cieri Declaration”).<sup>1</sup> Where the names of the entities reviewed are incomplete or ambiguous, the scope of the search was intentionally broad and inclusive, and Kirkland & Ellis LLP reviewed each entity in its records, as more fully described in the Cieri Declaration, matching the incomplete or ambiguous name.

### List of Schedules

<u>Schedule</u>	<u>Category</u>
1(a)	Current and Recent Former Entities Affiliated with the Debtor
1(b)	Current and Recent Former Directors and Officers
1(c)	Affiliations of Officers and Directors
1(d)	Banks
1(e)	Competitors
1(f)	Current/Former Equity Holders
1(g)	Customers
1(h)	Insurers
1(i)	Lenders
1(j)	Letters of Credit
1(k)	Litigation Parties
1(l)	Parties to Executory Contracts
1(m)	Professionals
1(n)	Top 30 Trade Creditors
1(o)	Top Unsecured Creditors
1(p)	Unions
1(q)	Utilities
1(r)	United States Trustee, Judges, and Court Contacts for the Eastern District of Virginia (and Key Staff Members)

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<sup>1</sup> All capitalized terms used but otherwise not defined herein shall have the meanings set forth in the Cieri Declaration.

**SCHEDULE 1(a)**

**Current and Recent Former Entities Affiliated with the Debtor**

3098580 Nova Scotia Co.  
3098583 Nova Scotia Co.  
3120772 Nova Scotia Co.  
Aggressive Growth Fund  
Arrimage De Gros Cacouna Inc.  
Black Spruce Paper Inc.  
Brant Industries Inc.  
Brant Paper Inc.  
Dow Jones Newsprint Co. Inc.  
FF Soucy General Partner Inc.  
FF Soucy Inc.  
FF Soucy Inc. & Partners LP  
FF Soucy LP  
Nova Scotia Ltd.  
Papier Masson Ltee  
PB-RF Inc.  
RF SP LLC  
RF White Birch LP  
Sep Technologies LLC  
Soucy Partners Newsprint Inc.  
SP Newsprint Co. LLC  
SP Newsprint Holdings Inc.  
SP Newsprint Holdings LLC  
SP Recycling Corporation  
Stadacona General Partner Inc.  
Stadacona LP  
WB Canada LLC  
White Birch Paper Co.  
White Birch Paper Holdings Co.  
White Birch Paper Inc.  
White Birch Partners LP

**SCHEUDLE 1(b)**

**Current and Recent Former Directors and Officers**

Allen, Joseph  
Armstrong, Thomas E.  
Bisson, Alain  
Blais, Jean  
Boucher, Daniel  
Brant, Christopher M.  
Brant, Peter M.  
Epstein, Jay A.  
Flug, Robert  
Geiger, Thomas M.  
Goebel, Eric  
Laflamme, Bernard  
Roberge, Jacques  
Sherrick, Edward D.  
Yohallum, Ira

**SCHEDULE 1(c)**

**Affiliations of Officers & Directors**

575 Broadway Corp.  
Brant Foundation Inc., The  
Brant Publications Inc.  
Bridgehampton Polo Inc.  
Greenwich Polo Club  
RFR Holding, LLC  
Skeeter Industries Inc.  
Solomon R. Guggenheim Foundation  
White Birch Farm Inc.

**SCHEDULE 1(d)**

**Banks**

Banque TD  
Caisse Populaire Riv-du-Loup  
HSBC Bank Canada  
HSBC Bank USA NA  
Suntrust Bank  
TD Canada Trust

**SCHEDULE 1(e)**

**Competitors**

Abitibibowater Inc.

Atlantic Group

Boise Inc.

Catalyst Paper Corp.

Kruger Inc.

Norampac

Tembec Inc.

Weyerhauser Co.

**SCHEDULE 1(f)**

**Current/Former Equity Holders**

Aby Rosen  
Michael Fuchs  
Peter Brant  
RFR Holding, LLC  
White Birch Investor I LLC  
White Birch Investor II LLC.

**SCHEDULE 1(g)**

**Customers**

AFL Printing	M&R International Inc.
Asbury Park Press Inc.	Mayar India Ltd.
Berkshire Eagle	Media News Printing
Brunswick Times Record	Media Procurement Services Inc.
Buffalo News, The	Metroland Media Group Ltd.
Canadian Paper Connection	Mill Marketing Inc.
Central National Gottesman Inc.	New York Post
CFPP	Newark Morning Ledger Co.
Charleston Newspapers	News Printing & Publishing Inc.
Charleston Newspapers	Newsday Inc.
Cincinnati Enquirer, The	Newsday LLC
Courier Journal, The	Newsworks
Cox Newspapers Inc.	NYP Holdings Inc.
Denver Post	Orange County Publication Inc.
Detroit Newspaper Partnership	Ottawa Citizen, The
Dow Jones & Co. Inc.	Page Co-Op
E. Aaron Enterprises Inc.	Page Corp.
El Dia Inc.	Paper Co. GmbH
Europcell GmbH	Philadelphia Newspapers Inc.
Express Newspapers	Philadelphia Newspapers LLC
Express Times	Phoenix Corp.
Fairworld International Ltd.	Post and Courier, The
Gannett Supply Corp.	Post Standard, The
Gazette, The	Providence Journal Co.
Graphic Communications	Richmond Newspapers Inc.
Gratenau & Hesselbacher	Rochester Gannett Newspaper
Hamilton Spectator, The	RR Donnelley & Sons Co.
Hearst Enterprises Division	Saltus Press
Heinzel Import-Export Inc.	Springfield Offset
Idearc Media Services-West Inc.	Stevens Graphics Inc.
Imprimeries Transcontinental	Summit Solutions Inc.
Indianapolis Newspapers Inc.	Tribune Co.
Indianapolis Star, The	Tribune Publishing
Johnson Newspaper Corp.	Tribune Review Publishing Co.
Journal News, The	Universal Paper Export Co. Ltd.
Journal Register Co.	Vertis Inc.
Journal Register Supply Co.	Washington Post
Laminated Industries Inc.	White Plains Journal News, The
Lee Procurement Solutions	Windsor Star, The

**SCHEDULE 1(h)**

**Insurers**

AFCO	Royal Bank Canada
Affiliated Fm Insurance Co.	Rubin Group Inc., The
Axis Reinsurance Co.	St. Paul Fire & Marine Insurance Co.
Charter Oak Fire Insurance Co., The	Travelers Casualty & Surety of America
CNA Insurance Cos.	Travelers Corp.
Federal Insurance Co. (Chubb)	Travelers Indemnity Co. of America, The
First Insurance Funding Corp	Travelers Indemnity Co. of Connecticut, The
Hartford Fire Insurance Co.	Travelers Property Casualty Co. of America
Houston Casualty Co.	US Specialty Insurance Co.
Liberty Mutual Insurance Co.	

SCHEDULE 1(i)

Lenders

38 Fidelity Summer St Tr Fidelity Cap & Inc Fd	Columbusnova CLO IV Ltd. 2007 II
American Money Management	Columbusnova CLO Ltd. 2007-1
Ammc CLO III Ltd.	Conesco Insurance Co.
Ammc CLO IV Ltd.	Confluent 3 Ltd.
Ammc CLO V Ltd.	Continental Casualty Co.
Ammc CLO VI Ltd.	Credit Suisse
Ammc VII Ltd.	Credit Suisse Asset Management
Atrium IV	Credit Suisse Candlewood Private Finance
Atrium VI	Master Fund
Avenue Advisors	Credit Suisse Dollar Senior Loan Fund Ltd.
Avenue Investments LP	Credit Suisse Loan Funding LLC
BDCM Opportunity Fund II LP	Credit Suisse Syndicated Loan Fund
Black Diamond Capital Management LLC	CS Alternative Capital Management
Black Diamond CLO 2005-1 Ltd.	CSAM Funding IV
Black Diamond CLO 2005-2 Ltd.	Cumberland II CLO Ltd.
Black Diamond CLO 2006-1 Ltd. (Cayman) Ltd.	Deerfield Capital
Black Diamond International Funding Ltd.	Deerfield Capital Management Ltd. Liability Co. Ac Forest Creek CLO Ltd.
Blue Mountain Capital	Diamond Lake CLO Ltd.
Blue Mountain CLO II Ltd.	Dune Capital LLC
Blue Mountain CLO III Ltd.	Dunes Funding LLC
Blue Mountain CLO Ltd.	Fidelity Advisor Series I Fidelity Advisor
Bridgeport CLO II Ltd.	High Income Advantage Fund
Bridgeport CLO Ltd.	Fidelity Advisor Series I: Fidelity Advisor
Burr Ridge CLO Plus Ltd.	Floating Rate High Income Fund
Canadian Imperial Bank of Commerce	Fidelity Management & Research Co Ac
Candlewood Capital Partners	Fidelity Advisor Series II Fidelity Advisor
Canpartners Investments IV LLC	Strategic Income Fund
Canyon Capital Advisors LLC A/C Canyon Capital CLO 2004-1 Ltd.	Fidelity Management & Research Co.
Canyon Capital CDO 2002-1 Ltd.	Fidelity School Street Trust: Fidelity
Canyon Capital CLO 2006-1 Ltd.	Strategic Income Fund
Canyon Capital CLO 2007-1 Ltd.	FM Leveraged Capital Fund Ii
Canyon Partners	Gale Force 3 CLO Ltd.
Caspian Select Credit Master Fund Ltd.	Gale Force 4 CLO Ltd.
Castle Garden Funding	GE Canada Finance Holding Co.
Cent CDO 12 Ltd.	GE Canada Finance Inc.
Cent CDO 14 Ltd.	General Electric Capital Corp.
Cent CDO 15 Ltd.	Grand Central Asset Trust Bdc Series
Centurion CDO VII Ltd.	Grand Central Asset Trust Zen Series
Clear Lake CLO Ltd.	GSO Capital
Columbusnova	Gulf Stream Asset Management
	Gulf Stream Compass CLO 2002-1 Ltd.
	Gulf Stream Compass CLO 2003-1 Ltd.

Gulf Stream Compass CLO 2005-1 Ltd.  
Gulf Stream-Sextant CLO 2007-1 Ltd.  
Gulfstream-Compass CLO 2005-2 Ltd.  
Halbis Capital Management  
Halbis Distressed Opportunities Master Fund Ltd.  
Hamlet II Ltd.  
Hartford Insurance (Himco)  
HSBC Bank USA NA  
Illinois Municipal Retirement Fund  
Jefferies Funding LLC  
Jeffries Capital  
Jupiter Loan Funding LLC  
Kingsland Capital  
Kingsland I Ltd.  
Kingsland II Ltd.  
Kingsland III Ltd.  
Kingsland IV Ltd.  
Kingsland V Ltd.  
Latitude CLO I  
Latitude CLO III Ltd.  
Loews Corp.  
Long Grove CLO Ltd.  
Lufkin Advisors  
Mariner Atlantic  
Mariner Investment Group Inc A/C Mariner Ldc (KPM)  
Mariner Investment Group Incorporated Ac  
Caspian Capital Partners LP  
Mariner Opportunities Fund LP  
Market Square CLO Ltd.  
Massachusetts Pension Reserves Investment Management Board  
Merrill Lynch Capital Corp.  
MJX Asset Management  
Morgan Stanley Investment Management  
Morgan Stanley Investment Management Croton  
Morgan Stanley Prime Income Trust  
Mountain Capital  
Mountain Capital CLO III Ltd.  
Mountain Capital CLO IV Ltd.  
Mountain Capital CLO V Ltd.  
Mountain Capital CLO VI Ltd.  
MSIM Peconic Bay Ltd.  
Ocean Trails CLO II  
Ocean Trails CLO III  
Octagon  
Octagon Credit Investors LLC  
Octagon Investment Partners IX Ltd.  
Octagon Investment Partners V Ltd.  
Octagon Investment Partners VI Ltd.  
Octagon Investment Partners VII Ltd.  
Octagon Investment Partners VIII  
Octagon Investment Partners X Ltd.  
Octagon Investment Partners XI Ltd. (NY)  
Orix Business Credit  
Orix Finance Corp.  
Pension Investment Committee of General Motors for GM Employees-Domes  
Primus CLO II Ltd.  
Primus CLO Ltd. I  
Primus Financial  
Riversource Investments  
Schiller Park CLO Ltd.  
Shenkman Capital Management  
Stanfield Arnage CLO Ltd.  
Stanfield Azure CLO Ltd.  
Stanfield Bristol CLO Ltd.  
Stanfield Capital Partners  
Stanfield Capital Partners LLC  
Stanfield Carrera CLO Ltd.  
Stanfield Daytona CLO Ltd.  
Stanfield McLaren CLO Ltd.  
Stanfield Modena CLO Ltd.  
Stanfield Vantage CLO Ltd.  
Stanfield Veyron CLO Ltd.  
Stanwich Loan Funding LLC  
Summit Lake CLO Ltd.  
Suntrust Bank  
TD Canada Trust  
Toronto Dominion  
Trilogy Capital  
Van Kampen  
Van Kampen Dynamic Credit Opportunities Fund  
Van Kampen Senior Income Trust  
Van Kampen Senior Loan Fund  
Variable Insurance Products Fund V:  
Strategic Income Portfolio  
Venture II CDO 2002 Ltd.  
Venture III CDO Ltd.

Venture IV CDO Ltd.  
Venture VIII CDO Ltd.  
Victoria Falls CLO Ltd.  
Westbrook CLO Ltd.  
Westgate Horizons  
White Horse Capital  
Whitehorse I Ltd.

Whitehorse III Ltd.  
WTA Dune Ltd.  
Z Capital  
Zodiac Fund Morgan Stanley US Senior  
Loan Fund

**SCHEDULE 1(j)**

**Letters of Credit**

Department Of Environmental Quality

Regime Complementaire de Retraite des Employes Syndiques De Bureau de FF Soucy

Regime Complementaire de Retraite des Employes Syndiques D'usine de FF Soucy

Regime de Retaite des Employes

Ultramar Ltd.

**SCHEDEULE 1(k)**

**Litigation Parties**

Boucher, Barry  
Developpement Durable Environnement et Parcs  
Environnement Canada  
Ministere des Ressources Naturelles et de la Faune  
Ontario Superior Court of Justice  
Quebecor World Litigation Trust  
Quebecor World (USA) Inc.

**SCHEDULE 1(I)**

**Parties to Executory Contracts**

Chatham Financial  
Credit Suisse International  
CSFB International

Merrill Lynch Capital Services Inc.  
Quebec City, City of (Quebec)  
TD Bank Financial Group

**SCHEDULE 1(m)**

**Professionals**

Alixpartners LLP  
Alvarez & Marsal Inc.  
Berkowitz, Trager and Trager, LLC  
Bryan Cave LLP  
Cahill Gordon & Reindel LLP  
Christian & Barton LLP  
CRG Partners Group LLC  
Fleischman & Walsh LLP  
Latham & Watkins LLP  
Lawrence and Associates

Lazard Freres & Co. LLC  
Powell Goldstein LLP  
Pricewaterhousecoopers LLP  
Rothschild Inc.  
Skadden Arps Slate Meagher & Flom  
Stewart McKelvey  
Stikeman & Elliott LLP  
Thornton & Associates plc  
Troutman Sanders LLP

**SCHEDULE 1(n)**

**Top 30 Trade Creditors**

ABB Inc.	Ichikawa North America
Andritz Ltd.	Kemira Chemicals Canada Inc.
Atlantic Coated Papers Ltd.	Laboratoires Buckman du Canada Ltée
Atlas Copco Compressors Canada	Les Services Matrec Inc.
Brenntag Canada Inc	Lumen Inc.
Ciba Specialites Chimiques	LV Lomas Ltd.
Converdis Inc.	Metso Papier Ltée
Distribution DMC Inc.	Motion Canada Inc.
Entreprises Larry Inc	Quadra Chimie Ltée
Estbec Inc.	Sonoco Canada Corp.
Filcon America Inc.	SSQ Groupe Financier
GSI	Tri-Tex Co. Inc.
Hercules Canada Inc.	Voith Canada Inc.
Honeywell	Voith Fabrics
Hydro Technologies Inc.	Voith Paper

**SCHEDULE 1(o)**

**Top Unsecured Creditors**

Basic Chemical Solutions	Rappahannock Electric Coop
Canusa Hershman Recycling LLC	Recycle America/Alliance LLC
Cascades Sonoco Inc.	Smurfit Stone Recycling
CH Robinson Worldwide Inc.	Sonoco Products Co.
Chemtrade Performance Chemicals LLC	SP Recycling Corp., Prince William
Clariant Corp.	Division
Colonialwebb Contractors	SP Recycling Corp., Richmond Division
Delta Chemical Corp.	Suffolk Sales & Service Corp.
Durametal Corp.	Univar USA Inc.
Fleming Southern	Univar USA Inc.
Hanover County Real Estate Taxes (VA)	Virginia Treasurer, Receipts Control
Maslo Co. Inc.	Department
McMillan Energy Inc	Weavexx Corp.

**SCHEDULE 1(p)**

**Unions**

Fraternité Nationale des Forestiers et Travailleurs D'usine, Section Locale 299 (Mesureurs) (FTQ-CTC)  
Syndicat Canadien des Communications de L'énergie et du Papier, Section Locale 11  
Syndicat Canadien des Communications de L'énergie et du Papier, Section Locale 1104  
Syndicat Canadien des Communications de L'énergie et du Papier, Sections Locales 137 et 250

Syndicat Canadien des Communications de L'énergie et du Papier, Sections Locales 625 et 905  
Syndicat Canadien des Communications de L'énergie et du Papier, Sections Locales 627  
Syndicat Canadien des Communications de L'énergie et du Papier, Section Locale 200  
Syndicat Democratique des Salaries de la sciere Leduc, Le  
Syndicat des Employés Arrimage de Gros Cacouna Inc.

**SCHEDULE 1(q)**

**Utilities**

ACC Business Inc.	Hydro-Quebec
Compass Energy Services LLC	Integrys Energy Services of Canada Corp.
Distribution Carl Beaulac Inc., Les	Kildair Service Ltée
Energie La Lievre	Quebec City, City of (Quebec)
Gatineau, City of (Quebec)	Rappahannock Electric Coop
Gaz Métropolitain Inc.	Riviere-Du-Loup, Municipality of (Quebec)
Gazbec Inc.	Shell Energy North America LP
Gazifere	Transcanada Pipelines
Hanover County Public Utilities-Water (VA)	Ultramar Canada Inc.
Hanover County Public Utility (VA)	Ville de Québec, City of (Quebec)
	Virginia Natural Gas Inc.

**SCHEDULE 1(r)**

**U.S. Trustee, Judges, and Court Contacts for the Eastern District of Virginia (and Key Staff Members)**

W. Clarkson McDow, Jr.  
Douglas O. Tice, Jr.  
Gloria P. Sutton  
June E. Turner  
Kevin R. Huennekens  
Peggy T. Flinchum  
Robert Van Arsdale  
Shannon D. Franklin

**SCHEDULE 2**

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
38 Fidelity Summer St Tr Fidelity Cap & Inc Fd	Fidelity Brokerage Services, LLC	Current
Fidelity Management & Research Co.	FMR LLC	Current
ABB Inc.	ABB Canada ABB Instrumentation S.p.A ABB Ltd. ABB Ltd.-Steering Committee ABB Lummus Global, Inc. ABB SAE S.p.A. ABB Trasmissione & Distribuzione S.p.A. Combustion Engineering, Inc.	Closed Former Current Current Closed Former Former Current
Alixpartners LLP	AlixPartners GmbH AlixPartners, LLC	Current Current
Alvarez & Marsal Inc.	Alvarez & Marsal Europe Limited Alvarez & Marsal Inc.	Former Current
American Money Management	American Premier Underwriters	Closed
Ammc CLO V Ltd.	AMMC CLO V, Limited	Current
Ammc CLO VI Ltd.	AMMC CLO VI, Limited	Current
Atlantic Group	The Atlantic Group Inc.	Closed
Avenue Investments LP	Avenue Investments, L.P.	Current
Banque TD TD Canada Trust	Toronto-Dominion Capital	Current
Blue Mountain Capital	BlueMountain Capital Management L.P.	Current
Brenntag Canada Inc.	Brenntag AG	Current
Canpartners Investments IV LLC	Canpartners Investments IV LLC	Current
Canyon Capital Advisors LLC	Canyon Capital Advisors L.L.C.	Closed
Charleston Newspapers	ABRY Partners, Inc.	Current
Ciba Specialites Chimiques	BASF Catalysts LLC BASF Corporation	Current Current
CNA Insurance Cos. Continental Casualty Co.	CNA Financial Corporation Continental Casualty Company	Current Current
Columbusnova	Columbus Nova Partners LLC	Current

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
Confluent 3 Ltd.	Confluent 3	Current
Conseco Insurance Co.	40 86 Advisors Inc. Bankers Life & Casualty Co. Bankers National Life Insurance Conseco Agency Inc. Conseco Agency Kentucky, Inc. Conseco Agency of Alabama Inc. Conseco Agency of Nevada Inc. Conseco Agency of New York, Inc. Conseco Annuity Assurance Company Conseco Finance Canada Company Conseco Finance Canada Holdings Conseco Finance Consumer Discount Company Conseco Finance Corporation Conseco Finance Corporation Alabama Conseco Finance Credit Corporation Conseco Finance Loan Company Conseco Finance Net Interest Margin Conseco Finance Servicing Corporation Conseco Health Insurance Company Conseco Life Insurance Company Conseco Life Insurance Company of New York Conseco Life Insurance Company of Texas Conseco Senior Health Insurance Company Conseco Services LLC Conseco, Inc. Gary C. Wendt William J. Shea	Current Closed Former Closed Closed Closed Closed Closed Former Closed Closed Closed Closed Closed Closed Former Current Former Former Former Closed Current Former Former
Cox Newspapers Inc.	Manheim Automobile Financial Services, Inc.	Current
Credit Suisse	Credit Suisse	Current

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
Credit Suisse Asset Management	Credit Suisse First Boston Corporation	Former
Credit Suisse International	Credit Suisse Group	Closed
CSFB International	Credit Suisse Group AG	Current
	Credit Suisse LLC	Current
	Credit Suisse Private Equity Partners Asia, L.P.	Former
	Credit Suisse Securities (USA) LLC	Current
	CSAM Funding I	Current
	CSAM Funding II	Current
Fidelity Advisor Series I: Fidelity Advisor Floating Rate High Income Fund	Fidelity Advisor Floating Rate High Income Fund	Current
Fidelity Management & Research Co Ac Fidelity Advisor Series II Fidelity Advisor Strategic Income Fund	Fidelity Advisor Series II: Fidelity Advisor Strategic Income	Current
Fidelity School Street Trust: Fidelity Strategic Income Fund	Fidelity School Street Trust: Fidelity Strategic Income	Current
GE Canada Finance Holding Co. GE Canada Finance Inc. General Electric Capital Corp.	Birchwood Power Partners, LP GE Capital Financial Inc. GE Healthcare General Electric Capital Corporation General Electric Company	Current Current Current Closed Current
GSO Capital	Blackstone Mezzanine Partners, L.P. Blackstone Real Estate Special Situations Advisors LLC GSO Capital Partners Park Hill Group, LLC Sanjeev Khemlani Spectrum Healthcare Resources The Blackstone Group	Current Current Current Current Current Former Current
Halbis Capital Management HSBC Bank Canada HSBC Bank USA NA	HSBC Bank plc HSBC Investment Bank plc HSBC Securities, Inc. Montagu Private Equity LLP	Closed Closed Closed Current
Honeywell International Inc.	Honeywell Aerospace Honeywell Belgium N.V.	Closed Current

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
	Honeywell DMC Services, LLC Honeywell Europe N.V. Honeywell Fluorine Products Europe B.V. Honeywell International Inc. Honeywell Retirement Earnings Plan Honeywell Savings and Ownership Plan Honeywell Secured Benefit Plan Plan Administrator of Honeywell Retirement Earnings Plan Plan Administrator of Honeywell Savings and Ownership Plan Plan Administrator of Honeywell Secured Benefit Plan	Closed Current Current Current Current Current Current Current Current Current
Idearc Media Services-West Inc.	Idearc Media Corp. Idearc Media Corp., Employee Benefits Committee	Current Current
Illinois Municipal Retirement Fund	Illinois Municipal Retirement Fund	Current
Jupiter Loan Funding LLC	Jupiter Loan Funding LLC	Current
Lazard Freres & Co. LLC	Antonio Weiss The Edgewater Funds Lazard Freres Real Estate Investors LLC Lazard, Freres & Co.	Current Current Current Current
Mariner Investment Group Incorporated Ac Caspian Capital Partners LP	Mark Weissman	Current
Media Procurement Services Inc.	Scripps Networks, Inc. The E.W. Scripps Company	Former Former
Merrill Lynch Capital Corp. Merrill Lynch Capital Services Inc.	BA Equity Investors Banc of America Securities LLC BancAmerica Capital Investors II, L.P. Bank of America Bank of America Capital Investors Bank of America Corporation	Closed Closed Current Current Current

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
	Bank of America NA Bank of America NT & SA Bank of America Securities LLC CIVC Partners Dennis P. McCrary Dimitrios Psyllidis Fleet Boston Financial Corporation Fleet Equity Capital Fleet National Bank Jacques Gliksberg Justin Dash Marco Viola Merrill Lynch Merrill Lynch - Global Principal Investments Merrill Lynch Bank USA Merrill Lynch Japan Securities Co., Ltd. Paul Horvath	Current Current Closed Current Current Former Closed Former Closed Current Former Former Current Current Closed Former Closed Former
MJX Asset Management	MJX Asset Management	Current
Morgan Stanley Investment Management	Crescent Resources, LLC	Closed
Morgan Stanley Prime Income Trust Van Kampen	Marianas Holding, LLC Mary Meeker Morgan Stanley Morgan Stanley & Company, Inc. Morgan Stanley Alternative Investments Inc. Morgan Stanley Asset Funding, Inc. Morgan Stanley Capital Group Inc. Morgan Stanley Capital Partners Morgan Stanley Dean Witter Morgan Stanley Dean Witter Discover Morgan Stanley DW, Inc. Morgan Stanley Emerging Markets Inc. Morgan Stanley Emerging Private Markets Fund LP	Current Current Current Current Current Current Current Current Former Closed Current Current Current Current Current Current

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
	Morgan Stanley Funding Inc. Morgan Stanley Global Distressed Opportunities Fund LP Morgan Stanley Global Secondary Opportunities Fund Morgan Stanley Global Secondary Opportunities Fund I, LP Morgan Stanley Investment Management Inc. Morgan Stanley Investment Management Limited Morgan Stanley Japan Limited Morgan Stanley Prime Income Trust Morgan Stanley Private Markets Fund IV LP MSCI Inc. Sapphire Holdings B.V. Steve Trevor Steven Hefter Van Kampen Senior Income Trust Van Kampen Senior Loan Fund Various senior level executives of Morgan Stanley Various employees of Morgan Stanley	Current Current Current Current Closed Current Current Current Current Current Current Current various various
Mountain Capital	Mountain Capital Limited	Current
New York Post NYP Holdings Inc. Orange County Publication Inc.	News America Incorporated REA Group	Current Closed
Newsday Inc. Newsday LLC	Cablevision Systems Corporation CSC Holdings Company James Dolan	Current Current Current
Pricewaterhousecoopers LLP	James Schacht PricewaterhouseCoopers LLP PricewaterhouseCoopers LLP Ontario PricewaterhouseCoopers-Bermuda	Current Current Current Closed
Primus Financial	Ford Motor Company	Former

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
Richmond Newspapers Inc.	Media General Inc.	Closed
Riversource Investments	Ameriprise Certificate Company Ameriprise Financial Inc. IDS Futures Corporation RiverSource Life Insurance Company	Current Former Closed Current
Rothschild Inc.	Rothschild Inc.	Current
Royal Bank Canada	Home123 Corporation New Century Financial Corporation RBC Capital Markets Corporation RBC Centura Bank RBC Mortgage Company RBC Mortgage Company of California Royal Bank of Canada	Closed Closed Current Current Closed Closed Current
Shell Energy North America LP	Shell Energy North America L.P. Shell Trading (US) Company	Current Current
Stanwich Loan Funding LLC	Stanwich Loan Funding LLC	Current
Stevens Graphics Inc.	SBC Communications Inc. Ameritech Cingular Wireless LLC	Current Current Former
Suntrust Bank	SunTrust Robinson Humphrey	Closed
Tribune Co. Tribune Publishing	The Tribune Company Tribune Interactive, Inc. Tribune Media Services, Inc.	Closed Former Current
Univar USA Inc.	Citicorp Venture Capital Limited CVC Asia Pacific Funds I CVC Asia Pacific Funds II CVC Asia Pacific Limited CVC Capital Funding LLC CVC Capital Partners Asia II Limited CVC Capital Partners Asia Limited CVC Capital Partners Asia Pacific LP CVC Capital Partners Limited CVC European Equity III Limited CVC European Equity IV AB Limited	Current Current Current Current Current Current Current Current Current Current Current Current

Name of Entity Searched	Name of Entity and/or Affiliate of Entity that is a K&E Client	Status
	CVC European Equity Tandem GP Limited CVC European Equity V Limited CVC Infrastructure GP Limited NTELLOS Inc. Univar, Inc.	Current Current Current Closed Current
Virginia Treasurer, Receipts Control Department	Virginia Retirement System	Closed
Weyerhauser Co.	Domtar, Inc. Weyerhaeuser Company	Current Current
Z Capital	Christopher Kipley James J. Zenni Z Capital Management LLC Z Capital Partners LLC Z Capital Situations Fund-A, L.P. Z Capital Special Situations Fund, L.P. Zenni Holdings, L.L.C.	Closed Current Current Closed Closed Closed Closed

**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing pleading was sent either electronically or by first class mail, postage prepaid, this 10th day of March, 2010, to all necessary parties.

*/s/ Jonathan L. Hauser*